



Congressman

SHERROD BROWN

Summer 2003

Seniors Newsletter

Brown Wants to Strengthen Medicare, Reduce Drug Prices



The House and Senate are considering proposals that jeopardize the future of Medicare. Under these bills, seniors who need drug coverage would be forced to purchase that coverage separately from private insurers or join an HMO. This complicated and inefficient plan is intended to shift enrollment from the core Medicare program into the private insurance market, paving the way for Medicare privatization.

Under the Republican plan passed by the House (H.R. 1), in seven years the Medicare program would be fully privatized. Medicare as we know it would be replaced by an "insurance voucher" covering part of the premium for health insurance. This proposal ends the Medicare entitlement. So much for guaranteed benefits. So much for the choices that matter: choice of hospital, choice of doctor. This voucher program would give seniors the "choice" to enroll in an HMO, and when that one leaves their area, to enroll in another one, and when **that** one closes down, to enroll in another one.

We must preserve one of the most successful and popular public programs in this nation's history. The decisions we make today could determine whether the reliable, cost-effective Medicare we have known for the last 38 years will be here in the future or whether the Bush Administration's plan to turn Medicare over to the private insurance industry will succeed.

Sherrod Brown



Congressman Sherrod Brown discusses Medicare with Al Canfora of Barberton during Brown's town hall meeting on July 19 at the Belcher Apartments in Akron.

Medicare Plan Places Retiree Coverage at Risk

Nearly 13 million retired Americans receive prescription drug coverage from a former employer. According to the Congressional Budget Office, about one-third of employers will drop their retiree drug benefits if H.R. 1 is signed into law. The same holds true of S. 1, the drug plan passed by the Senate. Both bills jeopardize retiree coverage while offering seniors drug benefits far less generous than those available under most retiree health plans.

Medicare Prescription Drugs

House Bill (H.R. 1) vs. Congressman Brown's Bill (H.R. 1199)

Issue	Brown Bill	H.R. 1
Same monthly premium for every enrollee	Yes	No
Annual deductible	\$100	\$250
Coverage gap between \$2,000-\$4,900	No	Yes
Allows government to negotiate with drug companies for lower prices	Yes	No
Medicare remains an entitlement	Yes	No
Privatizes Medicare	NEVER	YES

Brown: Consumers Win Victory Over High Drug Prices

In the early morning hours of July 25, the House of Representatives approved the Pharmaceutical Market Access Act (H.R. 2427) by a 243-186 margin. Congressman Brown managed the floor debate for Democrats supporting the bill.

The bill would permit personal importation, like the bus trips thousands of Ohio seniors have safely taken to Canada. It also permits importation by wholesalers and retail pharmacists, which would make affordable medicine available in the U.S. and reduce the need for bus trips. All medications would have to meet the safety and effectiveness requirements of U.S. law. The bill also would add new inspection and anti-counterfeiting technology.

Congressman Brown said the drug companies' abusive pricing policies hurt Ohio seniors. Americans pay almost 60 percent more for the cholesterol medicine Pravachol, 100 percent more for the heartburn drug Prilosec, and over 200 percent more for the heart medicine Toprol XL. Drug companies charge American women over 750 percent more for the breast cancer medicine Tamoxifen than they charge women in Canada.

"By preventing the drugmakers from isolating the U.S. market and overcharging American consumers, H.R. 2427 would give Americans the power to demand, and receive, fair prescription drug prices," Brown said.



Congressman Sherrod Brown joins House Minority Leader Nancy Pelosi at a congressional news conference opposing Medicare privatization.

Brown Opposes Cash Balance Pension Plans

Congressman Brown warned retirees in Ohio about a move that could freeze the pensions of older Americans.

Under "cash-balance" pension plans, workers are assigned individual pension accounts that accrue credits with each year on the job. The credits received are virtually identical year after year, so short-term employees may receive more generous benefits than under a traditional defined benefit plan. More than 1,200

companies employing seven million Americans have converted to cash-balance styled plans since the 1980s, despite their negative impact on long-term employees.

The U.S. General Accounting Office said older employees' pension benefits can drop by as much as 50 percent under a cash balance plan. Switching has the greatest negative effect on older employees who have worked for many years with one company and plan to work there until

retirement.

Brown is a cosponsor of H.R. 1677, the Pension Benefit Protection Act of 2003, which would protect pension benefits of employees in defined benefit plans and direct the Secretary of the Treasury to stop age discrimination in pension plans.

Brown Supports "Do Not Call" List

Congressman Brown wants seniors to know they can register their phone numbers to prevent telemarketing calls. Consumers can register online at <http://www.donotcall.gov/> or by telephone at **(888) 382-1222**. As of October, it will be illegal for most telemarketers to call a registered number.

How to Reach Key Agencies

- Medicare Information Hotline ,,,,,,,,,,1-800-MEDICAR(e)
- Medicare Fraud and Abuse Hotline ,,,,,,,,,,1-800-447-8477
- Administration on Aging Eldercare Locator ,,,,,,,,,,1-800-677-1116
- Ohio Senior Health Insurance Information Hotline,,,,,,,,,1-800-686-1578
- Ohio Medicaid Hotline ,,,,,,,,,,1-800-324-8680

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